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*Comptroller
file*

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MEMORANDUM FOR: Administration Group,
Office of Comptroller

ATTENTION:

FROM: Robert W. Magee
Director of Personnel

SUBJECT: Retirement

1. The following is in response to the questions raised by the House Appropriations Committee:

Q: What will be the impact on CIARDS?

- A:
- o Demoralized work force which has to impact upon ability to get the job done.
 - o Devastate senior levels of experience and leadership and may impact on feeder grades at GS-13 - 15.
 - o Good to top notch officers below retirement age with marketable skills may leave.
 - o Impose the self-impression on employees that they are typical bureaucrats and viewed as such by national leadership. Destroy pride in uniqueness.
 - o Allow the opportunity for deadwood to remain in and influence the system.
 - o Loss of young, healthy pool of officers to serve overseas; reduces ability to perform mission.
 - o Large number of immobile, older, and much less skilled officers will glut Headquarters and create enormous staffing and placement problems.
 - o Large, unpromotable group at each grade level with stultifying effect on the work force.

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Q: Do you anticipate these changes will have a disadvantageous effect on recruitment and retention.

- A:
- o Loss of ability to offer enriching career with early retirement benefits.
 - o In the neartime, recruitment will not be affected - focus of youth is on employment and job opportunities.
 - o As young employees get smart on the subject of retirement benefits, in and out of government, our ability to compete with private sector will diminish.
 - o Retention will become a problem as job opportunities surface and are taken seriously when previously would not have been considered.
 - o Demands of cover, overseas living, etc., will be much less palatable if benefits diminish and career foreseeably lengthened.
 - o Greatly restrict ability to hire from the high tech pool in private sector mid and senior level scientist, engineers, etc., to gain needed technical skills.
 - o Loss of high tech individuals who can market their skills on the outside for better pay and benefits

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1. The following is in response to the questions raised by the House Appropriations Committee:

Q: What will be the impact on CIARDS?

A: The implementation of the Administration's retirement proposals will have a dramatic impact on CIARDS. The CIARDS law passed in 1964 permitted Agency employees to retire at age 50 with 20 years of service. This legislation recognized the need for early retirement because of the early burn out of Agency employees who served under the stressful and demanding conditions of intelligence service. The Administration's retirement proposal to raise the retirement age for CIARDS from age 50 to 60 would reverse the original CIARDS intent by permitting Agency employees to remain beyond their productive years. The result would be a less dynamic, responsive work force than required to satisfy Agency mission requirements. Agency demands on its employees have increased not diminished. Raising the retirement age for CIARDS would be inconsistent with reality.

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Q: Do you anticipate these changes will have a disadvantageous effect on recruitment?

A: The Administration's retirement proposals will significantly hamper CIA's ability to recruit and retain the caliber of employee we need to satisfy intelligence requirements. The fact that Agency employees can look forward to retirement at age 50 after a career of time-sensitive stressful demands, personal risks, family separation, and increased medical problems and risks is a current major recruitment incentive. If we could not offer early retirement, but instead 35 - 40 years of work under the same stressful conditions of service, we would not be able to recruit or retain the high caliber employee who is available at anytime to serve anywhere the Director of Central Intelligence requires.

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